

1 The General Assembly of North Carolina enacts:

2 **SECTION 1.** Notwithstanding G.S. 105-287, G.S. 105-325, or any other provision
3 of law restricting the time for which a change in appraisal or valuation may be made, a board of
4 county commissioners shall undertake the measures required by this act if all of the following
5 conditions are met:

- 6 (1) The county has independent, corroborating evidence that the majority of
7 commercial neighborhoods in the county possess significant issues of
8 inequity.
- 9 (2) The county has independent, corroborating evidence that, for residential
10 neighborhoods, instances of inequity or erroneous data had a significant
11 impact on the valuation of the neighborhood as a whole.
- 12 (3) The county's last general reappraisal was performed for the 2008 tax year,
13 2009 tax year, 2010 tax year, 2011 tax year, or 2012 tax year.
- 14 (4) The independent, corroborating evidence resulted from a review performed
15 by a qualified appraisal company selected and retained by the county and
16 registered with the Department of Revenue and had a sample size of no less
17 than 375 properties, the relevant characteristics of which were reviewed on
18 location at the property.

19 **SECTION 2.** If all of the conditions of Section 1 of this act are met, a board of
20 county commissioners shall either (i) conduct a reappraisal, using no less than one person
21 certified by the Department of Revenue for mass valuations per 4,250 parcels, pursuant to
22 G.S. 105-286 within 18 months, applicable to all tax years from and including the tax year
23 when the last general reappraisal was performed pursuant to G.S. 105-286 or (ii) have a
24 qualified appraisal company conduct a total review of all the values in the county by
25 neighborhoods and make recommendations as to the true value of the properties as of January 1
26 of the year of the last general reappraisal performed pursuant to G.S. 105-286. After the
27 reappraisal or review required by this section is complete, the board of county commissioners
28 shall make any change on the abstracts and tax records to ensure that the assessed values of
29 incorrectly appraised properties in the county reflect the true values of those properties
30 effective for the year of the last general reappraisal performed pursuant to G.S. 105-286 and
31 shall apply the adjusted values for those properties for each tax year until the next general
32 reappraisal for real property is performed by the county pursuant to G.S. 105-286, unless those
33 adjusted values are changed in accordance with G.S. 105-287. In making changes to the
34 abstracts and tax records mandated by this act, the board of county commissioners shall make
35 adjustments for previous errors, prioritized as follows:

- 36 (1) Adjustments to parcels with errors that resulted in the parcels having a
37 significantly overstated value.
- 38 (2) Adjustments to parcels with errors that resulted in the parcels having a
39 significantly understated value.
- 40 (3) Adjustments to parcels with errors that resulted in the parcels having an
41 overstated value.
- 42 (4) Adjustments to parcels with errors that resulted in the parcels having an
43 understated value.

44 In instances of parcels with errors that resulted in an overpayment of taxes, the
45 governing board shall require that notice of refund and the refund amount be sent to the owner
46 of record as of the date the payment was made.

47 **SECTION 3.** Interest on taxes paid on parcels with errors that resulted in the
48 parcels having an overstated value shall be calculated as if there was an order of the county
49 board of equalization and review reducing the valuation of property pursuant to
50 G.S. 105-360(e). Additional taxes levied on parcels as a result of errors causing the parcels to

1 have an understated value shall be treated as taxes on discovered property pursuant to
2 G.S. 105-312.

3 **SECTION 4.** This act is effective when it becomes law. If any provision of this act
4 or its application is held invalid, the invalidity does not affect other provisions or applications
5 of this act that can be given effect without the invalid provisions or application, and to this end
6 the provisions of this act are severable.